

NEWS

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HIGHER TAX SHARE APPROVED FOR SOME CITIES

CHINO -- The San Bernardino County Board of Supervisors today unanimously approved a plan to help some San Bernardino County cities deal with the growth they are experiencing and the need for increased public services for their growing populations. At the December 13 Board of Supervisors meeting, Board Chairman Bill Postmus and Supervisor Gary Ovitt asked county staff to bring a proposal to the board to create Revenue Enhancement Zones within incorporated cities that currently receive a lower share of property tax revenues than other cities.

"The cities in our county are experiencing tremendous growth and development. In order to cope with that growth, our cities need as many resources as possible available to them for building infrastructure and providing for public safety and other vital services," said Chairman Postmus. "As we all know, building infrastructure and providing services requires tax revenue."

In 2003, the Board of Supervisors increased the Property Tax General Levy to seven percent for new annexations in Victorville, Hesperia, Adelanto, Rancho Cucamonga and Fontana. With the approval of today's item, these same cities, which currently receive less than a seven percent share on property taxes, will be able to increase their percentage up to seven percent for properties or parcels at least 20 acres in size that have remained undeveloped. Beginning in July, as development occurs within designated revenue enhancement zones, both the cities and the county will benefit because that undeveloped land is currently not generating the amount of property tax revenue it has the potential to generate.

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Revenue Enhancement Zones 2-2-2-2

“When land in the Revenue Enhancement Zones is developed, the percentage the cities receive will increase, but the total amount of revenue generated will also increase because of the new, higher assessed value. Therefore, even though the county will be receiving a lower percentage, we will actually receive more revenue. It’s a win-win situation,” said Supervisor Ovitt.

The Board also required that the power of eminent domain could not be used in any effort to consolidate or identify land for consolidation under this program, gave the program a 25-year lifespan, and restricted the program to apply only to lands outside of redevelopment areas. In the case of Chino Hills, because it has no redevelopment areas, the property tax share for revenue enhancement zones will be ten percent instead of seven percent.

Two cities that stand to benefit from the new policy, Chino Hills and Hesperia, expressed their support for the policy change and were represented at the meeting. The meeting, held at Chino City Hall, was the second meeting of the board to be held outside of the City of San Bernardino.